

PATENT COOPERATION TREATY

From the INTERNATIONAL SEARCHING AUTHORITY

To: Samir A. Bhavsar
Baker Botts LLP
2001 Ross Avenue
Dallas, Texas 75201

DOCKETED

PCT

NOTIFICATION OF TRANSMITTAL OF
THE INTERNATIONAL SEARCH REPORT AND
THE WRITTEN OPINION OF THE INTERNATIONAL
SEARCHING AUTHORITY, OR THE DECLARATION

(PCT Rule 44.1)

Date of mailing
(day/month/year) **13 NOV 2007**

Applicant's or agent's file reference
075234.0286

FOR FURTHER ACTION See paragraphs 1 and 4 below

International application No.
PCT/US 07/09389

International filing date
(day/month/year) **17 April 2007 (17.04.2007)**

Applicant **CFPH, LLC**

1. ☒ The applicant is hereby notified that the international search report and the written opinion of the International Searching Authority have been established and are transmitted herewith.

Filing of amendments and statement under Article 19:

The applicant is entitled, if he so wishes, to amend the claims of the international application (see Rule 46):

When? The time limit for filing such amendments is normally two months from the date of transmittal of the international search report.

Where? Directly to the International Bureau of WIPO, 34 chemin des Colombettes
1211 Geneva 20, Switzerland, Facsimile No.: +41 22 740 14 35

For more detailed instructions, see the notes on the accompanying sheet.

2. ☐ The applicant is hereby notified that no international search report will be established and that the declaration under Article 17(2)(a) to that effect and the written opinion of the International Searching Authority are transmitted herewith.

3. ☐ **With regard to the protest against payment of (an) additional fee(s) under Rule 40.2,** the applicant is notified that:

☐ the protest together with the decision thereon has been transmitted to the International Bureau together with the applicant's request to forward the texts of both the protest and the decision thereon to the designated Offices.

☐ no decision has been made yet on the protest; the applicant will be notified as soon as a decision is made.

4. Reminders

Shortly after the expiration of **18 months** from the priority date, the international application will be published by the International Bureau. If the applicant wishes to avoid or postpone publication, a notice of withdrawal of the international application, or of the priority claim, must reach the International Bureau as provided in Rules 90*bis*.1 and 90*bis*.3, respectively, before the completion of the technical preparations for international publication.

The applicant may submit comments on an informal basis on the written opinion of the International Searching Authority to the International Bureau. The International Bureau will send a copy of such comments to all designated Offices unless an international preliminary examination report has been or is to be established. These comments would also be made available to the public but not before the expiration of 30 months from the priority date.

Within **19 months** from the priority date, but only in respect of some designated Offices, a demand for international preliminary examination must be filed if the applicant wishes to postpone the entry into the national phase until **30 months** from the priority date (in some Offices even later); otherwise, the applicant must, within **20 months** from the priority date, perform the prescribed acts for entry into the national phase before those designated Offices.

In respect of other designated Offices, the time limit of **30 months** (or later) will apply even if no demand is filed within 19 months.

See the Annex to Form PCT/IB/301 and, for details about the applicable time limits, Office by Office, see the *PCT Applicant's Guide*, Volume II, National Chapters and the WIPO Internet site.

Name and mailing address of the ISA/US

Mail Stop PCT, Attn: ISA/US
Commissioner for Patents
P.O. Box 1450, Alexandria, Virginia 22313-1450
Facsimile No. 571-273-3201

Authorized officer:

Lee W. Young

PCT Helpdesk: 571-272-4300
PCT OSP: 571-272-7774

Form PCT/ISA/220 (January 2004)

(See notes on accompanying sheet)

PATENT COOPERATION TREATY

PCT

INTERNATIONAL SEARCH REPORT

(PCT Article 18 and Rules 43 and 44)

Applicant's or agent's file reference 075234.0286	FOR FURTHER ACTION		see Form PCT/ISA/220 as well as, where applicable, item 5 below.
International application No. PCT/US 07/09389	International filing date (<i>day/month/year</i>) 17 April 2007 (17.04.2007)	(Earliest) Priority Date (<i>day/month/year</i>) 17 April 2006 (17.04.2006)	
Applicant CFPH, LLC			

This international search report has been prepared by this International Searching Authority and is transmitted to the applicant according to Article 18. A copy is being transmitted to the International Bureau.

This international search report consists of a total of 2 sheets.

☐ It is also accompanied by a copy of each prior art document cited in this report.

1. Basis of the report

a. With regard to the **language**, the international search was carried out on the basis of:

- ☒ the international application in the language in which it was filed.
☐ a translation of the international application into _____ which is the language of a translation furnished for the purposes of international search (Rules 12.3(a) and 23.1(b)).

b. ☐ This international search report has been established taking into account the **rectification of an obvious mistake** authorized by or notified to this Authority under Rule 91 (Rule 43.6bis(a)).

c. ☐ With regard to any **nucleotide and/or amino acid sequence** disclosed in the international application, see Box No. I.

2. ☐ Certain **claims** were found **unsearchable** (see Box No. II).

3. ☐ **Unity of invention** is lacking (see Box No. III).

4. With regard to the **title**,

- ☒ the text is approved as submitted by the applicant.
☐ the text has been established by this Authority to read as follows:

5. With regard to the **abstract**,

- ☒ the text is approved as submitted by the applicant.
☐ the text has been established, according to Rule 38.2(b), by this Authority as it appears in Box No. IV. The applicant may, within one month from the date of mailing of this international search report, submit comments to this Authority.

6. With regard to the **drawings**,

- a. the **figure of the drawings** to be published with the abstract is Figure No. 1
☐ as suggested by the applicant.
☒ as selected by this Authority, because the applicant failed to suggest a figure.
☐ as selected by this Authority, because this figure better characterizes the invention.
- b. ☐ none of the figures is to be published with the abstract.

INTERNATIONAL SEARCH REPORT

International application No.

PCT/US 07/09389

A. CLASSIFICATION OF SUBJECT MATTER

IPC(8) - G06Q 40/00 (2007.10)

USPC - 705/35

According to International Patent Classification (IPC) or to both national classification and IPC

B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)

IPC(8): G06Q 40/00 (2007.10)

USPC: 705/35

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

USPC: 705/1, 35, 36R, 37

Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)

Electronic databases: USPTO WEST(PGPB, USPT, EPAB, JPAB); DialogPRO

Search Terms Used: trading or executing derivatives, pharmaceutical or goods or services, election or military or political or public events, matching or comparing or buy or sell order, generating or determining or calculating price, traders or users etc.

C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X	US 2004/0049447 A1 (Kaiser et al.) 11 March 2004 (11.03.2004) (abstract, figs. 2-4, and para [0005]-[0007], [0059]-[0085], [0090]-[0100])	1-18
A	US 2005/0160024 A1 (Soderborg et al.) 21 July 2005 (21.07.2005)	1-18
A	US 2004/0199459 A1 (Johnston et al.) 07 October 2004 (07.10.2004)	1-18
A	US 2004/0199450 A1 (Johnston et al.) 07 October 2004 (07.10.2004)	1-18

☐ Further documents are listed in the continuation of Box C.

* Special categories of cited documents:

"A" document defining the general state of the art which is not considered to be of particular relevance

"E" earlier application or patent but published on or after the international filing date

"L" document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)

"O" document referring to an oral disclosure, use, exhibition or other means

"P" document published prior to the international filing date but later than the priority date claimed

"T" later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention

"X" document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone

"Y" document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art

"&" document member of the same patent family

Date of the actual completion of the international search

09 October 2007 (09.10.2007)

Date of mailing of the international search report

13 NOV 2007

Name and mailing address of the ISA/US

Mail Stop PCT, Attn: ISA/US, Commissioner for Patents

P.O. Box 1450, Alexandria, Virginia 22313-1450

Facsimile No. 571-273-3201

Authorized officer:

Lee W. Young

PCT Helpdesk: 571-272-4300

PCT OSP: 571-272-7774

PATENT COOPERATION TREATY

From the
INTERNATIONAL SEARCHING AUTHORITY

To: Samir A. Bhavsar
Baker Botts LLP
2001 Ross Avenue
Dallas, Texas 75201

PCT

WRITTEN OPINION OF THE
INTERNATIONAL SEARCHING AUTHORITY

(PCT Rule 43bis.1)

Date of mailing
(day/month/year) **13 NOV 2007**

Applicant's or agent's file reference
075234.0286

FOR FURTHER ACTION

See paragraph 2 below

International application No

PCT/US 07/09389

International filing date (day/month/year)

17 April 2007 (17.04.2007)

Priority date (day/month/year)

17 April 2006 (17.04.2006)

International Patent Classification (IPC) or both national classification and IPC

IPC(B) - G06Q 40/00 (2007.10)

USPC - 705/35

Applicant CFPH, LLC

1. This opinion contains indications relating to the following items:

- ☒ Box No. I Basis of the opinion
- ☐ Box No. II Priority
- ☐ Box No. III Non-establishment of opinion with regard to novelty, inventive step and industrial applicability
- ☐ Box No. IV Lack of unity of invention
- ☒ Box No. V Reasoned statement under Rule 43bis.1(a)(i) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement
- ☐ Box No. VI Certain documents cited
- ☐ Box No. VII Certain defects in the international application
- ☐ Box No. VIII Certain observations on the international application

2. FURTHER ACTION

If a demand for international preliminary examination is made, this opinion will be considered to be a written opinion of the International Preliminary Examining Authority ("IPEA") except that this does not apply where the applicant chooses an Authority other than this one to be the IPEA and the chosen IPEA has notified the International Bureau under Rule 66.1bis(b) that written opinions of this International Searching Authority will not be so considered.

If this opinion is, as provided above, considered to be a written opinion of the IPEA, the applicant is invited to submit to the IPEA a written reply together, where appropriate, with amendments, before the expiration of 3 months from the date of mailing of Form PCT/ISA/220 or before the expiration of 22 months from the priority date, whichever expires later.

For further options, see Form PCT/ISA/220.

3. For further details, see notes to Form PCT/ISA/220.

Name and mailing address of the ISA/US
Mail Stop PCT, Attn: ISA/US
Commissioner for Patents
P.O. Box 1450, Alexandria, Virginia 22313-1450
Facsimile No. 571-273-3201

Date of completion of this opinion

09 October 2007 (09.10.2007)

Authorized officer:

Lee W. Young

PCT Helpdesk: 571-272-4300
PCT OSP: 571-272-2774

Form PCT/ISA/237 (cover sheet) (April 2007)

WRITTEN OPINION OF THE
INTERNATIONAL SEARCHING AUTHORITY

International application No.

PCT/US 07/09389

Box No. I Basis of this opinion

1. With regard to the **language**, this opinion has been established on the basis of:

- ☒ the international application in the language in which it was filed.
☐ a translation of the international application into _____ which is the language of a translation furnished for the purposes of international search (Rules 12.3(a) and 23.1(b)).

2. ☐ This opinion has been established taking into account the **rectification of an obvious mistake** authorized by or notified to this Authority under Rule 91 (Rule 43*bis*.1(a))

3. With regard to any **nucleotide and/or amino acid sequence** disclosed in the international application, this opinion has been established on the basis of:

a. type of material

- ☐ a sequence listing
☐ table(s) related to the sequence listing

b. format of material

- ☐ on paper
☐ in electronic form

c. time of filing/furnishing

- ☐ contained in the international application as filed
☐ filed together with the international application in electronic form
☐ furnished subsequently to this Authority for the purposes of search

4. ☐ In addition, in the case that more than one version or copy of a sequence listing and/or table(s) relating thereto has been filed or furnished, the required statements that the information in the subsequent or additional copies is identical to that in the application as filed or does not go beyond the application as filed, as appropriate, were furnished.

5. Additional comments:

**WRITTEN OPINION OF THE
INTERNATIONAL SEARCHING AUTHORITY**

International application No.

PCT/US 07/09389

Box No. V Reasoned statement under Rule 43bis.1(a)(i) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement

1. Statement

Novelty (N)	Claims	1-18	YES
	Claims	None	NO
Inventive step (IS)	Claims	None	YES
	Claims	1-18	NO
Industrial applicability (IA)	Claims	1-18	YES
	Claims	None	NO

2. Citations and explanations:

Claims 1-18 lack an inventive step under PCT Article 33(3) as being obvious over US 2004/0049447 A1 to Keiser et al. (hereinafter "Keiser"). Keiser teaches a system for trading a plurality of derivative financial instruments comprising:

- | | |
|-----------------------------------|---------------|
| 1) processor | (para [0061]) |
| 2) memory | (para [0061]) |
| 3) order receiving means | (para [0005]) |
| 4) order matching means | (para [0005]) |
| 5) market price determining means | (para [0090]) |
| 6) market data generating means | (para [0090]) |
| 7) trade executing means | (para [0090]) |

As to claims 1 and 10, Keiser teaches a system for trading a plurality of derivative financial instruments comprising: (A) a processor operable to: (i) receive a first order to buy a derivative financial instrument representing at least one product, (ii) receive a second order to sell the derivative financial instrument, (iii) determine a market price based at least in part on the first order and the second order, (iv) execute a trade at the determined market price, and (v) generate market data associated with the at least one product, and (B) a memory operable to store the first order and/or the second order (abstract, figs. 2-4, and para [0005]-[0007], [0059]-[0083], [0090]-[0100]). Keiser does not explicitly teach the product being a pharmaceutical or manufactured product or service, and the generating the market data at least in part on the first/second order and/or the executed trade. However, Keiser explicitly suggested that the teachings are not limited to specific environment and can be used in other alternative environment (para [0062]), and generating a market price/data that reflects the demand or lack for the derivative financial instrument in the market (para [0090]). It would have been obvious to one of ordinary skill in the art to modify Keiser's teachings based on his suggestion because it would have allowed the system to trade the derivative financial instruments related to other products, and also generate market data which reflects the demand or lack for the derivative financial instrument for a particular product in the market, thereby expanding the use of the system to other alternative environment and hence increase the overall performance of the system.

As to claim 2, Keiser teaches the derivative financial instrument is associated with an initial price based at least in part on an attribute of the at least one product (para [0087]).

As to claims 3-4, Keiser teaches adjusting the market price associated with the derivative financial instrument based at least in part on a result associated with the at least one product under review for approval (para [0090]-[0091]).

As to claims 5-7, Keiser teaches the result is associated with the performance or sales or other parameters related to the at least one product (para [0099]-[0100]).

As to claim 8, Keiser teaches comparing a portfolio of derivative financial instruments associated with a first trader against a portfolio of derivative financial instruments associated with a second trader, and determining a winning trader based on the comparison (fig. 3 and para [0098]).

As to claim 9, Keiser teaches the first order received from a first trader associated with a first account of electronic currency, the second order received from a second trader associated with a second account of electronic currency, and debiting/crediting the first/second accounts according the executed trade (fig. 3 and para [0073]-[0081]).

As to claim 11, see discussions for claim 1, and Keiser further teaches identifying the event and responding accordingly to the identified event (fig. 2 and para [0063]). Keiser does not explicitly teach generating opinion data associated with the event based at least in part on the executed trade. However, Keiser explicitly suggested that the teachings are not limited to specific environment and can be used in other alternative environment (para [0062]), and generating a market price/data that reflects the demand or lack for the derivative financial instrument in the market (para [0090]). It would have been obvious to one of ordinary skill in the art to modify Keiser's teachings based on his suggestion because it would have allowed the system to trade the derivative financial instruments related to other products/events, and also generate market/opinion data which reflects the demand or lack for the derivative financial instrument for a particular product/event in the market, thereby expanding the use of the system to other alternative environment and hence increase the overall performance of the system.

(See Supplemental Box)

WRITTEN OPINION OF THE
INTERNATIONAL SEARCHING AUTHORITY

International application No.

PCT/US 07/09389

Supplemental Box

In case the space in any of the preceding boxes is not sufficient.

Continuation of
Box No. V — Reassess Statement

2. Citations and Explanations:

As to claims 12-14, Keiser teaches identifying the event and responding accordingly to the identified event (fig. 2 and para [0063]). Keiser does not explicitly teach the derivative financial instrument represents an election/investigation/military action event. However, Keiser explicitly suggested that the teachings are not limited to specific environment and can be used in other alternative environment (para [0062]). It would have been obvious to one of ordinary skill in the art to modify Keiser's teachings based on his suggestion because it would have allowed the system to trade the derivative financial instruments related to specific events, thereby expanding the use of the system to other alternative environment and hence increase the overall performance of the system.

As to claim 15, Keiser teaches the derivative financial instrument is associated with an initial price based at least in part on an attribute of the event (para [0067]).

As to claim 16, Keiser teaches adjusting the market price associated with the derivative financial instrument based at least in part on a result associated with the event (para [0090]-[0091]).

As to claim 17, Keiser teaches comparing a portfolio of derivative financial instruments associated with a first trader against a portfolio of derivative financial instruments associated with a second trader, and determining a winning trader based on the comparison (fig. 3 and para [0098]).

As to claim 18, Keiser teaches the first order received from a first trader associated with a first account of electronic currency, the second order received from a second trader associated with a second account of electronic currency, and debiting/crediting the first/second accounts according to the executed trade (fig. 3 and para [0073]-[0081]).

Claims 1-18 have industrial applicability as defined by PCT Article 33(4), because the subject matter can be made or used in industry.

NOTES TO FORM PCT/ISA/220 (continued)

The letter must indicate the differences between the claims as filed and the claims as amended. It must, in particular, indicate, in connection with each claim appearing in the international application (it being understood that identical indications concerning several claims may be grouped), whether

- (i) the claim is unchanged;
- (ii) the claim is cancelled;
- (iii) the claim is new;
- (iv) the claim replaces one or more claims as filed;
- (v) the claim is the result of the division of a claim as filed.

The following examples illustrate the manner in which amendments must be explained in the accompanying letter:

- 1 [Where originally there were 48 claims and after amendment of some claims there are 51]:
"Claims 1 to 29, 31, 32, 34, 35, 37 to 48 replaced by amended claims bearing the same numbers, claims 30, 33 and 36 unchanged, new claims 49 to 51 added."
- 2 [Where originally there were 15 claims and after amendment of all claims there are 11]:
"Claims 1 to 15 replaced by amended claims 1 to 11."
- 3 [Where originally there were 14 claims and the amendments consist in cancelling some claims and in adding new claims]:
"Claims 1 to 6 and 14 unchanged; claims 7 to 13 cancelled; new claims 15, 16 and 17 added." or
"Claims 7 to 13 cancelled; new claims 15, 16 and 17 added; all other claims unchanged."
- 4 [Where various kinds of amendments are made]:
"Claims 1-10 unchanged, claims 11 to 13, 18 and 19 cancelled, claims 14, 15 and 16 replaced by amended claim 14; claim 17 subdivided into amended claims 15, 16 and 17; new claims 20 and 21 added."

"Statement under Article 19(1)" (Rule 46.4)

The amendments may be accompanied by a statement explaining the amendments and indicating any impact that such amendments might have on the description and the drawings (which cannot be amended under Article 19(1)).

The statement will be published with the international application and the amended claims.

It must be in the language in which the international application is to be published.

It must be brief, not exceeding 500 words if in English or if translated into English.

It should not be confused with and does not replace the letter indicating the differences between the claims as filed and as amended. It must be filed on a separate sheet and must be identified as such by a heading, preferably by using the words "Statement under Article 19(1)."

It may not contain any disparaging comments on the international search report or the relevance of citations contained in that report. Reference to citations, relevant to a given claim, contained in the international search report may be made only in connection with an amendment of that claim.

Consequence if a demand for international preliminary examination has already been filed

If, at the time of filing any amendments and any accompanying statement, under Article 19, a demand for international preliminary examination has already been submitted, the applicant must preferably, at the time of filing the amendments (and any statement) with the International Bureau, also file with the International Preliminary Examining Authority a copy of such amendments (and of any statement) and, where required, a translation of such amendments for the procedure before that Authority (see Rules 55.3(a) and 62.2, first sentence). For further information, see the Notes to the demand form (PCT/PEA/401).

If a demand for international preliminary examination is made, the written opinion of the International Searching Authority will, except in certain cases where the International Preliminary Examining Authority did not act as International Searching Authority and where it has notified the International Bureau under Rule 66.1bis(b), be considered to be a written opinion of the International Preliminary Examining Authority. If a demand is made, the applicant may submit to the International Preliminary Examining Authority a reply to the written opinion together, where appropriate, with amendments before the expiration of 3 months from the date of mailing of Form PCT/ISA/220 or before the expiration of 22 months from the priority date, whichever expires later (Rule 43bis.1(c)).

Consequence with regard to translation of the international application for entry into the national phase

The applicant's attention is drawn to the fact that, upon entry into the national phase, a translation of the claims as amended under Article 19 may have to be furnished to the designated/elected Offices, instead of, or in addition to, the translation of the claims as filed.

For further details on the requirements of each designated/elected Office, see the *PCT Applicant's Guide*, Volume II.